

Remarks by Assistant Secretary Thea D. Rozman Kendler to the Association of Women in International Trade (WIIT)

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I'm so glad to be here speaking at with the Association of Women in International Trade today with Assistant Secretary Liz Rosenberg, who not only has been a partner in crafting our economic response to Russia's further invasion of Ukraine but has become a good friend in the process. Speaking to you today, with Liz, is a fitting marker for the start of National Women's History Month, and also marks an observation of one year since Russia launched its horrifying and senseless attack on the Ukrainian people.

I am hard pressed to identify any silver linings in the last year, but this work has provided the opportunity to powerful women leaders in the international trade and national security sphere, which has been heartening.

This past September, I experienced the career highlight of delivering the keynote address at the first ever Women in Strategic Trade conference – in Singapore – and meeting women strategic trade leaders from across the world. Women who are passionate about export controls, which provide a foundation for global peace and security and protection of innovation and intellectual property, and also enable trade promotion activities. Organizations like WIIT that bring together women from across the international trade spectrum to facilitate the exchange of ideas provide a foundation from which we can develop networks and collaborate.

Along these same lines, we see that – in direct contravention of what Vladimir Putin may have expected – Russia's heinous actions in Ukraine have galvanized a powerful and aligned international response. Instead of weakening our resolve and the international order, Russia has strengthened it.

In very short order last year, we marshalled 37 allies and partners from North America to Europe to the Indo-Pacific to impose substantially similar export controls on Russia and Belarus. By acting together with international partners, we have put a vice grip on Russia's ability to sustain its war machine through obtaining primarily commercially available items, the most critical of which is semiconductors.

Our export control restrictions – together with this Global Export Control Coalition – have led to a severe deterioration of Russia's industrial base's ability to repair, replace, and replenish the military platforms and munitions necessary to sustain the war in the long-term.

One year has nearly passed and the Global Export Control Coalition's commitment to this effort is even stronger. Consider the measures introduced and adopted on February 24. BIS published four rules: adding hundreds of low-level technologies to our Russia/Belarus controls, bringing us into further alignment with our partners; imposing controls on specific items going to Iran, including semiconductors, that are components for Iranian UAVs used by Russia in Ukraine; and amending the Entity List with 86 entities supporting Russia's defense-industrial sector.

At almost the same time, the EU adopted its 10th package, which – among other things – added technology export restrictions and identified new Russia military end-users, including for the first time seven in Iran. Japan and the United Kingdom also announced extensive new aligned export controls of lower-level technologies on the same day. And Korea introduced new export controls for Russia on over 700 items, including automobiles and parts, industrial machinery, chemicals and steel products.

As a result of our collective actions, we have seen global exports of GECC-controlled goods to Russia decrease by 48 percent by value (\$32.1 billion), and direct GECC exports to Russia decline by 72 percent (\$30.2 billion). This includes decreases of 55 percent (\$15.7 billion) in sectors including information and communications, aerospace, nuclear technology, and weapons. We have also seen nearly 100 percent decreases in GECC trade in railway freight cars and oil drilling platforms, and 65 percent decreases in vehicles of various types.

At the same time, we have expedited over \$1 billion in export licenses to Ukraine to help with firearms, ammunition, night vision goggles, and other items desperately needed and requested by the Ukrainians.

I want to commend my team in BIS's Export Administration for their tireless work bringing about all of these achievements. But we do not rest while Russia continues to wage its war.

As you might expect, with our international partners, we intend to close gaps in our controls that may continue to fuel Russia's war. We look at unusual trade patterns, focusing on increases in Russian imports from countries that may have become transshipment hubs and at points of origin for the trade through those hubs. We reach out to the governments at issue, as well as industry in these countries, to educate about the extent of U.S. controls. And when needed, we will use all the regulatory and enforcement tools available to us to counter Russia's illicit procurement.

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